



S.O.S.: STOP OVER-SPENDING ACT OF 2006



SPENDING RESTRAINT - DEFICIT REDUCTION - BUDGET ENFORCEMENT - FISCAL RESPONSIBILITY

Pro-Growth Economic Policies Have Resulted in Dramatic Increases In Tax Revenue

- Fiscal Year 2005 tax revenues increased \$274 billion (adjusted for inflation) over FY 2004, representing the largest increase on record in real terms.
- Fiscal YTD (through April 2006) tax receipts are up \$137 billion (11.2%) over a year ago.
- Fiscal YTD (through April 2006) individual income tax receipts are up 10.2% over the same period a year ago; corporate tax receipts are up 29.5% over the same period a year ago.
- The most recent data suggests this trend has continued through May. The daily Treasury statements indicate that tax receipts in May 2006 are up \$35.5 billion over May 2005, to \$166.2 billion.
- CBO expects the 2006 deficit will be significantly less than \$350 billion and perhaps as low as \$300 billion. CBO forecast assumes enactment of the supplemental and tax bill this year. (Senate-passed FY07 Budget Resolution assumed 2006 deficit of \$372 billion)
- CBO attributes much of that improvement to revenue growth.

